

Senate File 66 - Introduced

SENATE FILE _____
BY WARNSTADT

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act requiring the department of cultural affairs to prioritize
2 and award tax credits for the preservation of historic
3 property according to certain criteria.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1205XS 83
6 tw/mg:sc/5

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1 1 Section 1. Section 404A.4, subsection 4, Code 2009, is
1 2 amended to read as follows:
1 3 4. a. The total amount of tax credits that may be
1 4 approved for a fiscal year under this chapter shall not exceed
1 5 ten million dollars in the fiscal year beginning July 1, 2007,
1 6 fifteen million dollars in the fiscal year beginning July 1,
1 7 2008, and twenty million dollars in the fiscal year beginning
1 8 July 1, 2009, and each fiscal year thereafter.

1 9 b. Of the tax credits approved for a fiscal year under
1 10 this chapter, ten percent of the dollar amount of tax credits
1 11 shall be allocated for purposes of new projects with qualified
1 12 costs of five hundred thousand dollars or less, and forty
1 13 percent of the dollar amount of tax credits shall be allocated
1 14 for purposes of new projects located in cultural and
1 15 entertainment districts certified pursuant to section 303.3B
1 16 or identified in Iowa great places agreements developed
1 17 pursuant to section 303.3C. Any of the tax credits allocated
1 18 for projects located in certified cultural and entertainment
1 19 districts or identified in Iowa great places agreements and
1 20 for projects with a cost of five hundred thousand dollars or
1 21 less that are not reserved during a fiscal year shall be
1 22 applied to reserved tax credits issued in accordance with
1 23 section 404A.3 in order of original reservation. With the
1 24 exception of tax credits issued pursuant to contracts entered
1 25 into prior to July 1, 2007, tax credits shall not be reserved
1 26 for more than three years.

1 27 c. The department of cultural affairs shall establish by
1 28 rule the procedures for the application, review, selection,
1 29 and awarding of certifications of completion.

1 30 d. If the total value of applications for tax credits
1 31 pursuant to this chapter exceeds the amount of credits that
1 32 may be approved in a fiscal year, the department of cultural
1 33 affairs shall prioritize the applications and award the tax
1 34 credit certificates based on the following criteria listed in
1 35 order of importance:

2 1 (1) The potential for positive economic development
2 2 resulting from the preservation of eligible property.

2 3 (2) The total costs incurred in a rehabilitation project
2 4 by an applicant for the tax credit.

2 5 (3) The cultural, historic, or architectural significance
2 6 of the eligible property relative to the significance of other
2 7 property for which an application is made.

2 8 (4) Other relevant criteria adopted by the department of
2 9 cultural affairs by rule.

2 10 e. The departments of cultural affairs and revenue shall
2 11 each adopt rules to jointly administer this subsection and
2 12 shall provide by rule for the method to be used to determine
2 13 for which fiscal year the tax credits are available. With the
2 14 exception of tax credits issued pursuant to contracts entered
2 15 into prior to July 1, 2007, tax credits shall not be reserved
2 16 for more than three years.

2 17

EXPLANATION

2 18 This bill provides that if the total value of applications
2 19 for historic preservation tax credits exceeds the aggregate
2 20 amount of credits that may be approved in a fiscal year, the
2 21 department of cultural affairs shall prioritize the
2 22 applications and award the tax credit certificates based on
2 23 the following criteria which are listed in order of
2 24 importance: (1) the potential for positive economic
2 25 development resulting from the preservation of eligible
2 26 property; (2) the total costs incurred in a rehabilitation
2 27 project by an applicant for the tax credit; (3) the relative
2 28 cultural, historic, or architectural significance of the
2 29 eligible property; and (4) other relevant criteria adopted by
2 30 the department of cultural affairs by rule.
2 31 LSB 1205XS 83
2 32 tw/mg:sc/5